



# NEWS TO USE

A newsletter for PERSI Employers

July 2001

- Gain Sharing uses
- Employee address corrections & you
- Save Salary Reduction forms

## PERSI Gain Sharing funds save jobs and provide firefighters with lifesaving equipment. What did you do with your Gain Sharing credit?

### Twin Falls Times News:

"Twin Falls school officials cut 10 certified positions for the school year 2001-2002. Three high school teachers, two junior high teachers, four elementary teachers and a one-half position. But it could have been worse. The original number to be cut was 15. **'Extra money earned by investments in the Public Employee Retirement System of Idaho saved five jobs, said Bob Seaman, the district's business manager.** Two teaching positions, two classified and one-half administrative position, which amounted to about \$210,000 were kept."

### Idaho Falls Post Register:

"The Idaho Falls Fire Department recently picked up some cutting-edge new equipment that's proven to be a lifesaver. **With funding from the Public Employee Retirement System of Idaho to cover the \$57,500 price tag, the department unwrapped five new thermal imaging devices two weeks ago.** 'It's a fantastic new technology,' Idaho Falls Fire Chief Robert Drake said last week. 'Instead of feeling their way through blind, by using this device a person lying on the floor would stand out. It allows us to fight the fire quicker by making hot spots

and potential roof collapses visible, but the big thing is rescuing human occupants.' Similar equipment is credited with saving a 2-year old girl in Caldwell."

### Spending Survey

We recently sent a letter to all employer directors stating that members of the Legislature have requested that we survey our employers to see how you used the employer share of Gain Sharing. This is not an attempt to control the use of Gain Sharing by PERSI, but an effort to document how Idaho's taxpayers benefited from Gain Sharing.

**To let us know how you used your Gain Sharing, please contact Betsy Griffith by August 15, via:**

e-mail: [bgriffit@persi.state.id.us](mailto:bgriffit@persi.state.id.us)

phone: 1-800-451-8228 or 334-2451 ext. 297 or

mail: PERSI, PO Box 83720, Boise ID 83720-0078

Please indicate your agency name, the category(ies) that best describes your spending, and the amount(s).

Categories:

1. Employee bonuses
2. Contributions to employee Choice Plan accounts
3. Permanent employee raises
4. Offset other employee benefit costs such as medical insurance
5. Operating expenses – please indicate the program
6. Capital purchases – please indicate what was purchased
7. Payroll system modifications for new PERSI transmittal process
8. Reserve savings
9. Other – please indicate

**Sample: City of Galena Category 6 – computers \$ 2,456**

We will provide a summary of the survey. Thank you for your assistance



## Personal Financial Modeling program now available!

We are happy to announce that our new interactive Personal Financial Modeling program is now available on our website at [www.persi.state.id.us](http://www.persi.state.id.us). There are links right on our homepage or the Choice Plan page.

With the program, you may review your actual PERSI Base and Choice Plan data, and may calculate different investment goals and scenarios.

The program offers both a "Quick Review" and an "In-Depth Look" at your retirement projections. It allows you to enter a variety of factors to see how the outcomes may change for different situations. Variables that may be changed include:

- \* salary increases,
- \* inflation rates,
- \* investment amounts and returns,
- \* age of retirement,
- \* other income sources,
- \* withdrawal methods, and more.

The program will help you to see how much you need to save for your dream retirement. One thing to remember, however, is that the figures provided are for illustrative purposes only, and should not be taken as a recommendation or entitlement. Actual rates of inflation, pay increases and so on may differ from the assumptions you enter. That said, we think you will find this a valuable, user-friendly planning tool. Try it out!

## Employee address changes made via employer can save you work

No doubt you've noticed that PERSI is switching from distributing materials to our members via you, the employer, to mailing items directly to member home addresses. We're doing this to lighten your workload, and improve confidentiality and timing of mailings.

The switch to using employee addresses has had some glitches, however. If members give us address corrections and we make the changes here, and then an employer later reports with a different employee address, that "old" address from the employer overrides the change we made.

This is a problem because it means we will have to send correspondence with incorrect addresses back to you for distribution to your employees.

To solve this problem, we ask that address changes come through you. When an employee completes an RS-110 Address Correction form or just gives you an update, please make sure to make the change on your own system and then send the information on to us.

We have updated the RS-110 form. It is available on our website ([www.persi.state.id.us](http://www.persi.state.id.us)) for printing.

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## Do not send Choice Plan 401(k) Salary Reduction Agreements to PERSI: You set up payroll deduction

Now that active employees may begin voluntary contributions to the Choice Plan 401(k), we've been receiving quite a few of the Salary Reduction Agreements that employees complete to begin payroll deduction.

Please, **do not** return these forms to PERSI! You are the ones who need to set up the payroll deduction. We have no need for the

form and will end up returning it to you. We will receive the voluntary contribution information that we need when you submit your PERSI transmittals.

The Salary Reduction Agreements are available on our website at [www.persi.state.id.us/choice.htm](http://www.persi.state.id.us/choice.htm) or at the Mellon/Dreyfus link. They are also available from the toll-free Choice Plan telephone number

1-866-ID-PERSI  
(1-866-437-3774).

If an employee gives you a Salary Reduction Agreement form, but you are not quite ready to begin handling these contributions, please explain to the employee when you anticipate being ready, and follow up with them when you are set up for the voluntary contributions.